

Message Text

PAGE 01 ST JOH 00088 091342Z

47

ACTION EUR-25

INFO OCT-01 ISO-00 DODE-00 L-03 CIAE-00 INR-10 NSAE-00

RSC-01 TRSE-00 PM-07 NSC-07 SP-03 SS-20 DRC-01 /078 W

----- 090572

R 091242Z MAY 74

FM AMCONSUL ST JOHNS

TO SECSTATE WASHDC 1041

INFO AMEMBASSY OTTAWA

UNCLAS ST JOHNS 0088

E.O. 11652 N/A

TAGS PGOV, MARR, CA

SUBJECT MUNICIPAL TAXATION AT GOOSE BAY

REF STATE 089324

FOLLOWING MESSAGE RECEIVED FROM CO GOOSE AB:

QUOTE

PART I. REFERENCE STATE DEPARTMENT MESSAGE 012002Z
MAY 74 (089324). TAXES HAVE BEEN LEVIED UPON EVERY PERSON
WITHIN THE BOUNDARIES OF THE TOWN OF HAPPY VALLEY-GOOSE BAY
WHO HAS AN AUTOMOBILE WHICH IS REGISTERED IN NEWFOUNDLAND.
THIS INCLUDES ALL U.S. PERSONNEL WHO OWN CARS. THE MAYOR
OF HAPPY VALLEY-GOOSE BAY, MR. JIM KELLAND, ADVISES
THAT THERE ARE NO EXCEPTIONS AND THE TOWN COUNCIL PLANS
ENFORCEMENT OF THE TAX. MAYOR ADVISES THAT THE LOCAL
GOVERNMENT ACT, A PROVINCIAL GOVERNMENT STATUTE,,IS
AUTHORITY FOR THE TAX. HE FURTHER STATES THAT HE HAS NO CHOICE
BUT TO LEVY TAX ON U. S. PERSONNEL DUE TO A RULING BY
DEPARTMENT OF MUNICIPAL AFFAIRS, PROVINCIAL GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR, THAT THE TAX APPLIES TO U.S.
PERSONNEL. A MR. BROWN, DEPT OF MUNICIPAL AFFAIRS, ADVISED
TOWN COUNCIL BY LETTER THAT TAX APPLIES TO EVERYONE, INCLUDING
U.S. PERSONNEL.

UNCLASSIFIED

PAGE 02 ST JOH 00088 091342Z

PART II. GOOSE BAY AIRPORT CAME UNDER CONTROL OF HAPPY VALLEY
TOWN COUNCIL AS A RESULT OF AN AMALGAMATION (ANNEXATION)
OF THE OLD TOWN OF HAPPY VALLEY AND THE LOCAL IMPROVEMENT
DISTRICT OF GOOSE BAY, WHICH INCLUDED THE AIRPORT.

AMALGAMATION WAS THE RESULT OF EFFORT OF FEDERAL, PROVINCIAL AND LOCAL GOVERNMENT BODIES. SOME TIME AGO THE CANADIAN GOVERNMENT COMMISSIONED THE BUREAU OF MANAGEMENT CONSULTANTS TO STUDY THE ECONOMICS OF THE GOOSE BAY AREA EVIDENTLY FOR THE BENEFIT OF MOT, PRIOR TO THEIR TAKING OVER THE AIRPORT. MR. HANK WALSH, MOT DIRECTOR OF INTERNATIONAL ENVIRONMENTAL AFFAIRS, WAS ONE FEDERAL GOVERNMENT REPRESENTATIVE CLOSELY CONNECTED WITH THE REPORT. THIS REPORT RECOMMENDED AMALGAMATION. DETAILS OF THE AMALGAMATION WERE APPARENTLY WORKED OUT AT PROVINCIAL GOVERNMENT LEVEL. THE PROVINCIAL GOVERNMENT DEPUTY MINISTER OF MUNICIPAL AFFAIRS, MR. CLARENCE KEEPING, IS REPORTEDLY MOST KNOWLEDGEABLE OF THE DETAILS OF THE AMALGAMATION. AT LOCAL LEVEL TOWN COUNCIL AND THE LOCAL IMPROVEMENT DISTRICT BOTH AGREE UPON THE AMALGAMATION. AFTER LOCAL AGREEMENT, ACTION WAS RETURNED TO PROVINCIAL GOVERNMENT WHEN AN ORDER-IN-COUNCIL WAS APPARENTLY ENTERED EFFECTING THE AMALGAMATION. TAXATION POLICY WAS THEN LOCALLY INITIATED AS STATED IN PART I.

PART III. ENTIRE PROCESS HAD FULL KNOWLEDGE AND APPROVAL OF BOTH LOCAL AND FEDERAL MOT OFFICIALS. MR. JAMES LOVETT, FORMER EXECUTIVE ASSISTANT TO SENIOR MOT REPRESENTATIVE AT GOOSE BAY AIRPORT, WAS A MEMBER OF THE LOCAL IMPROVEMENT DISTRICT COMMITTEE DURING INITIAL AMALGAMATION PROCESS.

PART IV. MR. GOUDEY, SENIOR MOT REPRESENTATIVE AT GOOSE BAY AIRPORT, ADVISES THAT LAND IN QUESTION IS PROVINCIAL LAND CBUT IS UNDER MOT ADMINISTRATION AND CONTROL AS LONG AS IT IS IN USE AS AN AIRPORT. HOWEVER, MOT PERSONNEL LIVING ON AIRPORT WILL BE TAXED ACCORDING TO MR. GOUDEY.

PART V. LOCAL MAGISTRATE WILL DEFER TRIAL OF ANY U.S. PERSONNEL UNTIL RESOLUTION THROUGH APPROPRIATE MILITARY OR DIPLOMATIC CHANNELS. I DO NOT FEEL THERE IS MUCH ADDITIONAL INFORMATION TO BE OBTAINED AT THIS LEVEL. PERHAPS QUESTION CAN BE FAVORABLY RESOLVED BY OBTAINING A RE-DEFINITION OF MUNICIPAL TAXING POWERS IN REGARD TO USAF PERSONNEL THROUGH DEPARTMENT UNCLASSIFIED

PAGE 03 ST JOH 00088 091342Z

OF MUNICIPAL AFFAIRS, PROVINCIAL GOVERNMENT. PERHAPS PROVINCIAL GOVERNMENT CAN BE PERSUADED THAT THE AGREEMENTS REGARDING LEASED BASES IN NEWFOUNDLAND OR OTHER AGREEMENTS WOULD APPLY TO EXEMPT U. S. PERSONNEL AT GOOSE BAY FROM THE EFFECTS OF THE TAX. LOCAL GOVERNMENT AUTHORITIES WILL TAKE NO ACTION TO TERMINATE TAX UNLESS PROVINCIAL OR FEDERAL GOVERNMENT GIVES AUTHORITY. OUR EXTREME CONCERN OVER PAYMENT OF THIS TAX IS BASED UPON THE PROBABILITY THAT NUMEROUS OTHER TAXES WILL BE LEVIED ON U.S. PERSONNEL IF AUTOMOBILE TAX IS ALLOWED TO STAND. END QUOTE.

I AM PREPARED TO TAKE UP SUBJECT WITH AUTHORITIES ON PROVINCIAL LEVEL IF DEPT HAS NO OBJECTIONS. DOBBS

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 11 JUN 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 MAY 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STJOH00088
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: n/a
From: ST JOHNS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740589/dcnclaaah.tel
Line Count: 110
Locator: TEXT ON-LINE
Office: n/a
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags:
Review Date: 30 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 OCT 2002 by shawdg>; APPROVED <06 JAN 2003 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 19990819
Subject: MUNICIPAL TAXATION AT GOOSE BAY
TAGS: PGOV, MARR, CA
To: STATE INFO OTTAWA
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005